



**FREDERICTON  
CHAMBER  
OF COMMERCE**  
— The Voice of Business —

364 York Street, Suite 200  
Fredericton, NB  
E3B 3P7



21 May 2019

Hon. Marc Garneau  
Minister of Transportation, Transport Canada  
330 Sparks Street  
Ottawa, ON K1A 0N5

Dear Minister Garneau

**Re: Proposed *Air Passenger Protection Regulations***

I am writing today regarding the proposed *Air Passenger Protection Regulations* (hereinafter “APPR”) that are scheduled to come into force on 1 July 2019.

We concur with the position of the Canadian Chamber of Commerce as stated in a letter to you dated 29 April 2019. Our chamber recognizes the need for additional consumer protection, better service and compensation options because of flight delays, cancellations or denied boarding we have concerns that the regulatory process for the APPR has resulted in an incomplete understanding of the impacts the regulations will have on Canada’s airline industry and consumers.

Specifically, the we are concerned that the regulatory Cost Benefit Analysis (hereinafter “CBA”) developed by the Canadian Transportation Agency does not accurately reflect the possible cost impacts of the regulations to passengers. The agency’s CBA has indicated a presumed cost impact on passengers of \$2.75 per fare, which is significantly lower than some carrier calculations. Imposing significant new costs on carriers will increase airfares and will make Canadian carriers and our tourism sector less competitive. We believe more meaningful work should be done between industry and the agency to better understand the potential cost impacts on passengers to ensure that the regulations will be a net benefit to consumers.

Our organization is also concerned about the timeline highlighted in Gazette I in December 2019 for industry to be compliant with the regulations by 1 July 2019. The regulations will require changes to IT infrastructure, employee training and communication procedures and must be carefully planned and executed in order to avoid disruption to passengers. It is a regulatory best practice to allow for longer implementation timelines when necessary, as was done with the flight crew hours of work regulations that were recently provided a two-year implementation period.



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In light of concerns with the regulatory process raised by air carriers, we believe that the government, industry and consumers would benefit from more time to more accurately determine the impacts of the regulations. At a minimum, the implementation period should be extended to ensure that sufficient time is given for carriers to adapt IT systems and train staff for the new rules.

Sincerely,

Krista Ross, CEO  
Fredericton Chamber of Commerce

cc: Hon. Melanie Joly, Minister of Tourism, Official Languages and La Francophonie  
cc: Hon. Joyce Murray, President of the Treasury Board and Minister of Digital Government  
Cc: Hon. Perrin Beatty, President & CEO, Canadian Chamber of Commerce